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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending August 29, 2014

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices (\$/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Aug. 29/2014	Average	\$296.17	\$283.00	\$251.17	\$235.25	\$226.88	\$216.83	\$199.13
Aug. 29/2014	Range	285-310	269-303	240-285	225-246	216-236	209-225	188-210
Week/Week	Change	\$0.67	\$7.75	-\$4.00	-\$2.42	\$1.71	\$3.83	N.A.
Aug. 22/2014		Average	\$295.50	\$275.25	\$255.17	\$237.67	\$225.17	\$213.00
Feeder Heifers		300-400	400-500	500-600	600-700	700-800	800+ lb.	
Aug. 29/2014	Average	\$261.17	\$237.67	\$231.17	\$216.20	\$207.10	\$195.50	
Aug. 29/2014	Range	240-275	222-260	211-255	207-227	191-218	185-206	
Week/Week	Change	N.A.	N.A.	\$4.42	\$0.45	\$0.10	\$0.67	
Aug. 22/2014		Average	N.A.	N.A.	\$226.75	\$215.75	\$207.00	\$194.83

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficient data.

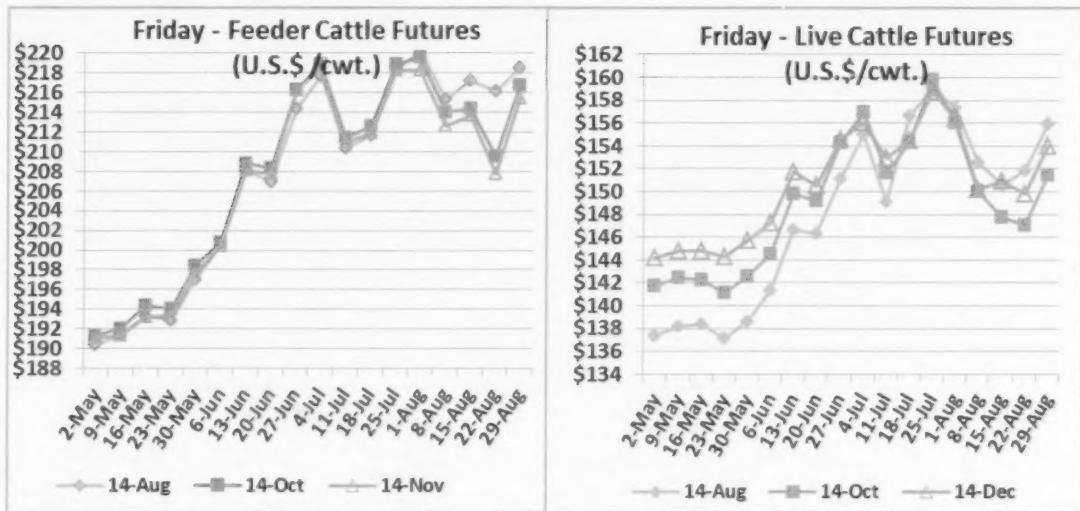
Canfax reported that a total of 7,141 head of cattle were sold in Saskatchewan this week, almost double from 3,615 head marketed the previous week.

Saskatchewan feeder steer prices were mixed but mostly higher over the week and ranged from \$4.00 per cwt lower to \$7.75 per cwt higher. The largest loss over the week was in the 500-600 lb. weight category which declined \$4.00 per cwt, while the weight category with the biggest gain was the 400-500 lb. weight category which increased by \$7.75 per cwt. The losses over the week were in the mid-weight ranges between 500 and 700 lb. With some prices edging higher there were new record highs set in the 300-400 lb. weight category along with some heavier weight categories which included both the 700-800 lb. and 800-900 lb. weight categories.

Feeder heifer prices were flat to higher over the week and ranged from flat to \$4.42 per cwt higher. The 500-600 lb. weight category increased the most at \$4.42 per cwt. The remaining categories over 600 lb. all had small gains. A new record high was set in the 300-400 lb. weight category which did not see much volume trade in July and August.

The Saskatchewan 750 lb. feeder steer basis compared to the August 28, 2014 U.S. feeder cattle index at US\$218.51 per cwt was calculated at -\$10.71 per cwt (US\$218.51/0.9197 - \$226.88), a basis narrowing of \$2.91 per cwt from the basis of \$-13.62 per cwt on August 21, 2014.

Feeder cattle futures prices rebounded strongly over the week surpassing the previous week's losses. The August to November 2014 contracts increased between US\$2.410 and US\$7.750 per cwt. The September contract had the biggest gain increasing US\$7.750 per cwt to settle Friday at US\$218.650 per cwt. The August contract increased US\$2.410 per cwt to expire on Friday at US\$218.510 per cwt.



Source: CME

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Live cattle futures prices also rebounded strongly over the week. Live cattle futures prices for the August to December contracts increased between US\$4.050 per cwt and US\$4.425 per cwt, week-over-week. The nearby August contract increased US\$4.050 per cwt to expire Friday at US\$155.900 per cwt. The October contract had the largest increase at US\$4.425 per cwt to settle Friday at US\$151.425 per cwt. Future markets should continue to be supported by low cattle on feed numbers and low beef in cold storage numbers. U.S. beef production is currently down 5.6 per cent year-to-date, and expected to remain down for the remainder of 2014.

Iowa cash corn prices moved lower over the week decreasing 6 cents per bushel to end Friday at US\$3.47 per bushel. The September corn futures contract was down over 6 cents to settle Friday at US\$3.59 per bushel, while the December corn futures contract was down over 6 cents to settle Friday at \$3.64 $\frac{1}{4}$ per bushel. Continued good crop prospects as harvest gets closer has continued to keep corn prices under pressure, and well below year-over-year prices.

Fed and Non-fed Cattle

	August 29	August 22	Change over Week
Cows (Alberta)			
D1,2 Live	122.30	123.63	-1.33
D3 Live	110.08	110.90	-0.82
Rail	234-239	234-239	-0.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta edged lower again last week after many weeks of price increases over the summer. For the week D1,2 slaughter cows decreased \$1.33 per cwt to average \$122.30 per cwt, while the price of D3 slaughter cows decreased \$0.82 per cwt to average \$110.08 per cwt.

Fed cattle prices in Western Canada did manage to edge higher over the week. The price of fed steers in Alberta was reported to average \$160.48 per cwt, up \$0.51 per cwt from the price of \$159.97 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US\$155.45 per cwt, up US\$2.31 per cwt from US\$153.14 per cwt the previous week, and up 26.0 per cent from US\$123.34 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$244.66 per cwt, up US\$2.80 per cwt from US\$241.86 per cwt the previous week, and up 25.0 per cent from US\$195.72 per cwt the same week a year ago.

Choice beef cutout prices (600-900 lb.) averaged US\$247.75 per cwt, down US\$4.21 per cwt or 1.7 per cent from the weekly average price of US\$251.96 per cwt the previous week, but up 26.5 per cent from US\$195.91 per cwt the same week a year ago.

Beef production for the week was 473.5 million lb., down 0.7 per cent from 477.0 million lb. the previous week, and down 6.1 per cent from 504.2 million lb. the same week a year ago. Cattle slaughtered over the week totaled 584,000 head, down one per cent from 590,000 head the previous week, and down 6.1 per cent from 504,200 the same week a year ago. Cattle dressed weights were up about 3 lb. from the previous week and up about 15 lb. or 1.9 per cent from the same week a year ago.

Friday Price Information

Product		This Week (August 29)	Week of: (August 22)
Canadian Dollar (closing rate US\$)		.9197	.9137
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)		218.51	218.18
Seven-day Weighted Average FC Index Wt. (lb.)		760	768
Live Fed 5-area Steer Price (US\$ per cwt)		155.45	153.14
Feed Grains			
Barley	Lethbridge (\$/tonne) (\$ per bu.)	176.00 3.83	175.00 3.81
Corn	Iowa State Average (CDN\$/tonne)* (US\$ per bu.)	148.53 3.47	152.09 3.53
	Omaha, NE (CDN\$/tonne)* (US\$ per bu.)	156.67 3.66	154.68 3.59
Futures			
Sept. Corn (US\$ per bu.)		3.59	3.65½
Dec. Corn (US\$ per bu.)		3.64¾	3.71½
August Live Cattle (US\$ per cwt)*expiry		155.900	151.850
October Live Cattle (US\$ per cwt)		151.425	147.000
August Feeder Cattle (US\$ per cwt)*expiry		218.510	216.100
October Feeder Cattle (US\$ per cwt)		216.725	210.900

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
 * conversion to CDN\$ is based on Friday's CDN\$ closing rate

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